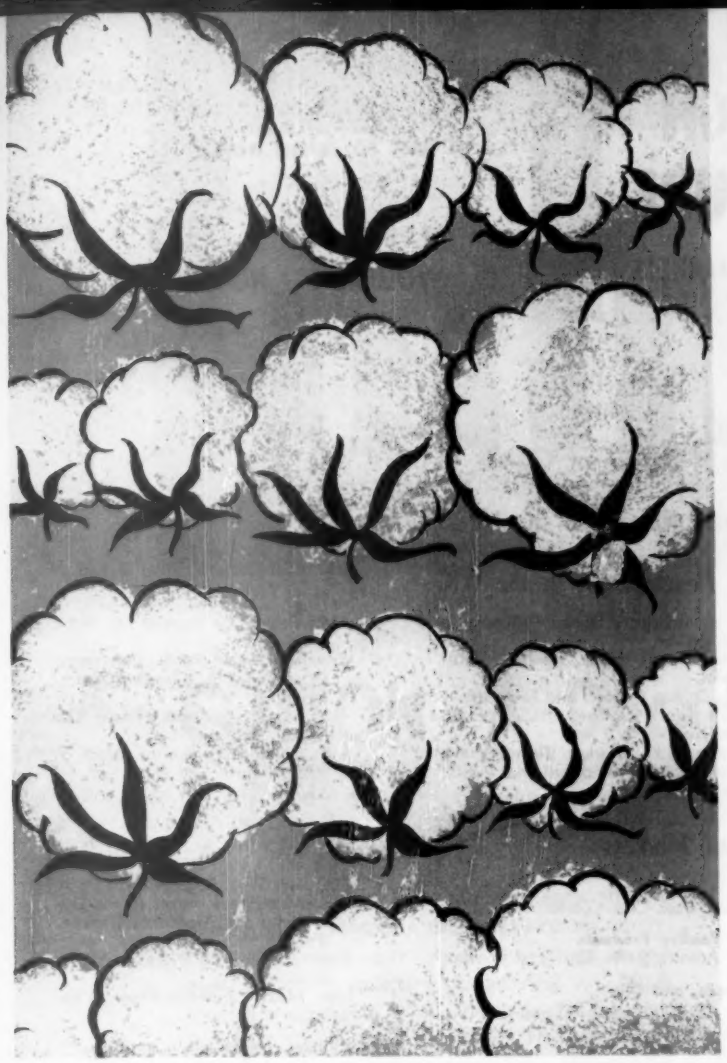


FEBRUARY 4, 1963

H-

Cotton: A Decade of Change

Promoting U.S. Farm Products
In the United Kingdom

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

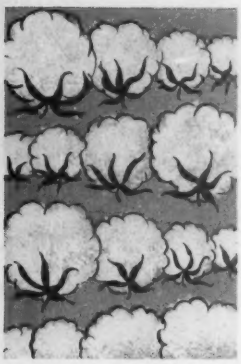
THE UNIVERSITY
OF MICHIGAN
MAR. J
PERIODICAL
READING ROOM

A WEEKLY MAGAZINE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

FEBRUARY 4, 1963
VOLUME 1 • NUMBER 5



Cotton bolls

Contents

3 Cotton: A Decade of Change

6 Dr. Renne Nominated for Agriculture Post

7 Market Development in the U.K.

7 U.S. Competitors Spend Millions on Promotion
8 Survey Shows Food Exhibits Boost Sales
8 Trade Drawn to Food and Feed Shows
8 London Grocers Promote U.S. Canned Fruit
9 Cotton's U.K. Market Development Stars Sales Promotion and Public Relations
9 U.K. Promotion Praised For Big U.S. Rice Sales
10 Enjoy-American-Foods Campaign Goes to Leeds, Glasgow, and Bristol
10 U.K. Import Controls Hinder U.S. Trade
10 U.S. Commodity Groups Work With FAS in U.K.

11 Crops and Markets

Cotton
13 Canada Uses Less Cotton

Dairy and Poultry Products
13 U.K. Admits Some Eggs and Poultry

Fats, Oilseeds, and Oils
14 Olive Oil Conference Announced
14 Ceylon Revises Coconut Export Duties
15 Philippine Desiccated Coconut Exports
15 Argentina Sets Flaxseed Export Quota
15 November Suez Shipments Down
16 Tunisia Buys Domestic Olive Oil
16 Turkey Begins Olive Oil Export Study

Grains, Feeds, Seeds, and Hops
13 Sweden Needs Seeds
13 Spain Suspends Bean, Chickpea Duty

Livestock and Meat Products
11 Greeks Barter Raisins to USSR
11 New Zealand Meat Moves to the U.S.
11 November Meat Exports Down
12 EEC Sets Pork Regulation
12 Australian Meat Moves to the U.S.
12 New Rules for Argentine Cooked Beef
13 New Zealand To Produce Meat for Moslems
13 New Meat Canneries Planned in Niger

Sugar, Fibers, and Tropical Products
11 Dominican Republic Coffee Crop Early
11 Haiti Now Exporting Kenaf
11 U.K. Cocoa-Bean Grindings Rise
11 Indonesia, Yugoslavia Sign Pact

Tobacco
13 U.K. Tobacco Imports Decline
14 Italy Buys More Rhodesian Tobacco
14 Pakistan's Cigarette Output Still Rising
14 Australia Expects Larger Tobacco Crop
14 Tobacco-Product Sales Fall in Algeria

Orville L. Freeman, Secretary of Agriculture

Raymond A. Ioanes, Administrator, Foreign Agricultural Service

Editor: Alice Fray Nelson **Associate Editor:** Ruth A. Oviatt

Advisory Board:

W. A. Minor, Chairman; Wilhelm Anderson, Burton A. Baker, Douglas M. Crawford, John H. Dean, F. Leslie Erhardt, David L. Hume, Robert O. Link, Kenneth W. Olson, Donald M. Rubel.

Material in this magazine is not copyrighted; it may be reprinted. A credit line acknowledging the source would be appreciated.

Foreign Agriculture is published weekly by the Foreign Agricultural Service, United States Department of Agriculture, Washington 25, D. C. Use of funds for printing this publication has been approved by the Director of the Bureau of the Budget (December 22, 1962). Yearly subscription rate is $5.50, domestic, $8.00, foreign; single copies are 15 cents. Orders should be sent to the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

DEPOSITED BY THE
UNITED STATES OF AMERICA

COTTON: A Decade of Change

By R. T. BAGGETT
Cotton Division, Foreign Agricultural Service

The past 10 years have witnessed some striking changes in the sources of the world's cotton supply. Not only is much more cotton being grown abroad now, but more countries are growing it. Much more is being exported, too, and some of it by countries that were markets themselves 10 years ago.

A decade ago, nearly a third of the cotton moving in world trade came from five traditional major producing countries—Brazil, Peru, Egypt, India, and Pakistan; today, less than a fourth. A number of other cotton-producing countries formerly considered minor—some that exported little or no cotton in 1953—now add up to strong competition for the world cotton market. These newer competitors have increased their combined share of the market from around 28 percent to nearly 40.

Still top producer and exporter, of course, is the United States, growing and shipping 30 to 40 percent of the world's cotton—only fractionally smaller shares than 10 years ago. Second place in both categories has been relinquished by the USSR. Its share of world imports has fallen from 11 percent to 8—but its cotton moves almost entirely within the Soviet Bloc.

Rising consumption a big factor

The rise of the newer producing and exporting areas has not been caused by declines in output among the five traditional "majors." These five countries in fact are all producing more cotton than they did in 1953; but they have had less available for export because they were using more at home.

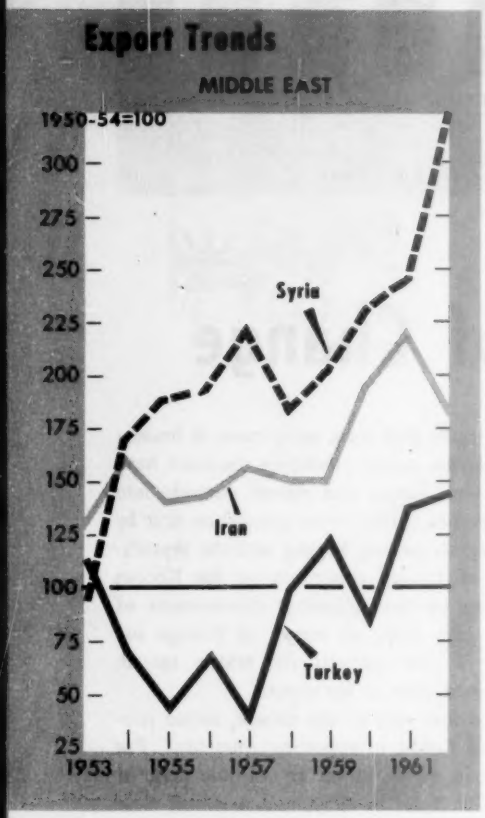
Meanwhile, the minor producing countries have stepped up their output and moved strongly into world competition. They were spurred on first by short supplies, stepped-up buying, and the skyrocketing prices of foreign cotton during the Korean war, and later by the increasing attractiveness of cotton as a cash crop, an earner of foreign exchange, and a raw material for textile output, either for domestic use or for export.

During the first part of the decade, cotton consumption rose fastest in exporting countries. For the world as a whole, it hit an all-time peak of over 48 million bales in 1959, and it is still close to that level. Largely responsible for this increased world demand have been rising incomes and standards of living in many countries, along with population growth—all of which has made for bigger textile markets.

Demand for cotton in its thousand-and-one finished forms would be even higher except for the vigorous bid that manmade fibers have made for the textile consumer's dollar. But a period of fairly stable world prices at lower levels beginning in 1959 promoted cotton use, even though later price strength provided one incentive for production to soar again to record heights. However, while not benefiting, as manmades do, from vast expenditures for research and promotion, cotton is making progress in new fabrics, in new techniques, and in market promotion. In addition, growers in all countries are improving the quality of the raw product and of their producing and merchandising.

World cotton production has set new records for

The accompanying index chart portrays the role of certain countries in five successive world cotton production records and in intensified competition for world cotton markets.



5 consecutive years, and the 1962-63 crop of almost 50 million bales is larger than the average outturn in the 1950-54 period by 11 million bales or 28 percent. Total use has more than kept pace, however, since the current season marks the first time in 7 years that production may exceed consumption.

While the United States has continued its measures to adjust production, nearly all the cotton countries elsewhere have spent the past 10 years encouraging production. Some cotton program, such as subsidized fertilizer distribution, guaranteed prices, and producer incentives and payments, are aimed at farmers. Others aid farmers in less direct ways, such as research to improve varieties and cultural methods, more efficient marketing services, irrigation expansion, and import restrictions on raw cotton and cotton textiles. In the United States, cotton programs like these are intended to maintain farm income while adjusting production to the demands of the market; but in many other countries, they have been intended mainly to stimulate production and have succeeded in doing so.

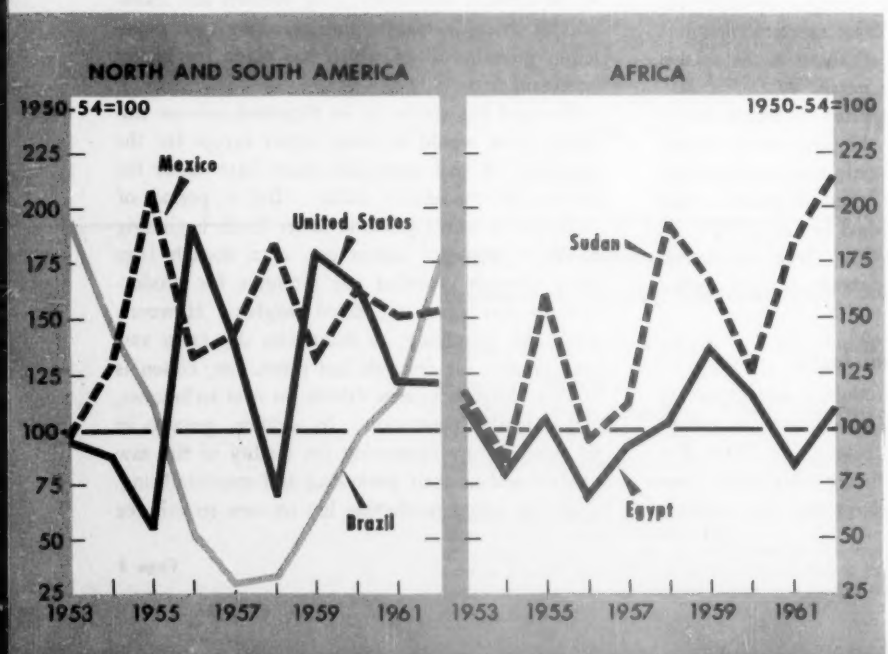
Price is a key

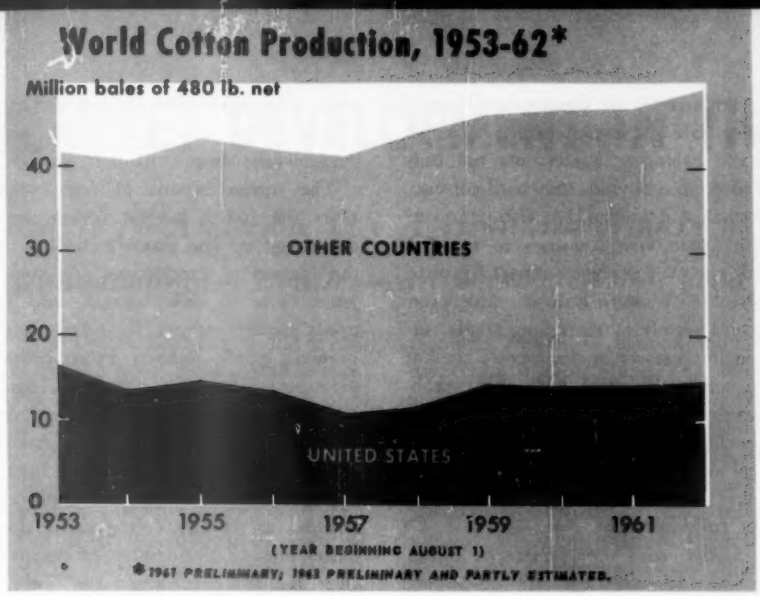
Behind the scenes in the world cotton drama, the director is always Price. The level of world cotton prices tends to be set by U.S. cotton because of the volume. But over the past 10 years, prices that provide a fair return for the bulk of U.S. producers constituted incentives for growers in other countries to expand production. Moreover, cotton not only provides cash income for the thousands of individual growers to spend for food and other things they previously did without or grew themselves, but has also become extremely important in numerous countries as an earner of badly needed foreign exchange.

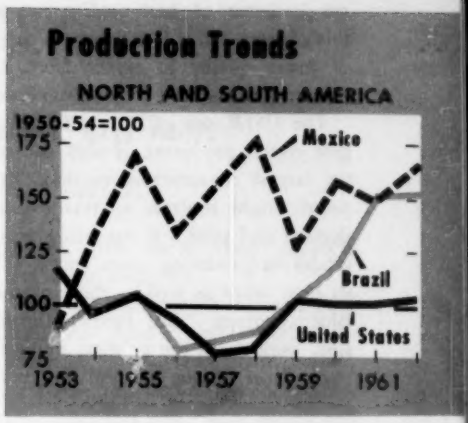
Sometimes, when faced with the hard choice between cotton and food crops, the governments have chosen cotton in the hope that exports of raw cotton or finished products would help pay for imports of the food crops that cotton was displacing. If food or other commodities previously produced domestically are provided by other means such as aid programs, land and other resources are left for cotton.

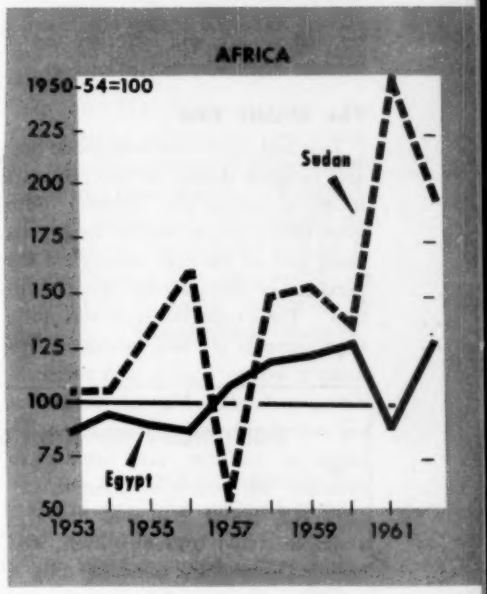
Once the choice has been made, and cotton plantings have been increased in response to the prospect for cash income, it does not necessarily follow that they will decrease in the same proportion when prices go down. Instead, farmers hang on and governments seem to try even harder to maintain or increase production by larger investments in measures to raise yields, increase production efficiency, provide a product more acceptable in quality, and make up for low per-unit returns by increasing volume.

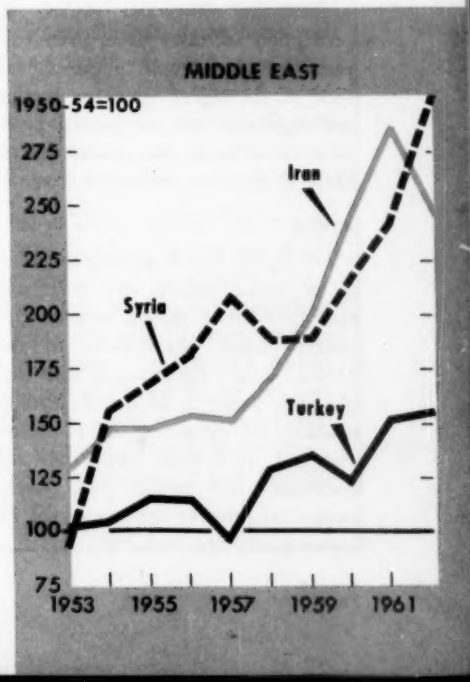
The charts on these pages illustrate the effect of these various circumstances on the world's cotton production and exports from 1953 to 1962. Also shown are trends for some countries — not all, for in several the changes have been too great to show on charts with this scale. Guatemala, for instance, in the 1950-54 period had an average cotton production of 20,000 bales; in 1962, it had 225,000 —an increase of 1,025 percent. El Salvador's production in 1962 was nearly six times larger than in the base period, rising from an average of 53,000 bales to 300,000; Colombia's went from 69,000 to 430,000, more than a six-fold increase. Countries like these, along with some that do appear on the charts, are briefly discussed in the sections that follow, where they are taken up area by area.











The Americas

Mexico is a prime example of change in cotton production and exports, though its rate of increase in most recent years has slowed down somewhat. Formerly listed as a "minor" producer, it now ranks second only to the United States in quantity exported and sells the same types and quality. To a large extent, this has been accomplished through expanded irrigation, which has made it possible to grow cotton in new areas. Mexico's crop varies according to water availability, weather, and the state of farm credit. Financing of production and of processing facilities, involving funds from the government as well as from private U.S. sources, is very sensitive to changes in cotton prices.

El Salvador, Guatemala, and *Nicaragua,* whose cotton exports together averaged only 102,000 bales per year in 1950-54, have raised their sales to an annual total of 750,000 bales. Most astonishing increase is Guatemala's—2,122 percent. In all three countries, cotton provides the cash income that farmers cannot get from their basic food crops, and cultivating it means taking a step away from subsistence farming. Government encouragement and assistance has helped push up yields, and cotton sales abroad have provided cash for imports of food.

For *Brazil*—one of the traditional Big Five, which made a spectacular comeback during the decade after a severe slump — cotton has been a means of diversifying its exports and has relieved its heavy dependence on coffee. This tremendous country will, however, be a much larger market for its own textiles if it can solve its current political and fiscal difficulties.

Colombia, with one of the Hemisphere's most striking production increases, has been working primarily toward self-sufficiency in cotton, to support its greatly expanded textile industry; for as incomes have grown, the country has needed more cotton goods. So successful has this effort been that Colombia now has entered the export market for both raw cotton and cotton textiles.

Europe

Greece, substantially aided by U.S. funds in its remarkable postwar recovery, and finding itself in need of another export crop besides tobacco, has pushed its cotton production from an average of 138,000 bales in 1950-54 (with only 30,000 for export) to 430,000 in 1962 (with exports of 290,000). The government has strongly encouraged cotton expansion, alloting generous per-acre production payments to farmers for growing cotton on unirrigated land and even more generous ones for growing it on irrigated land.

Spain, with an average cotton production of only 62,000 bales in 1950-54, now has 490,000. Still a consist-

ent importer of high-quality cotton, this country had a few thousand bales of lower quality to export from its own crop this season for the first time.

The *USSR,* one of the world's biggest cotton producers, is also one of the largest consumers even under its present tight controls on textile production and sales. It has made great strides in producing more cotton for its own needs as well as those of the Bloc countries. But further expansion, aside from the political implications, faces serious physical and economic impediments, including its difficult climate, short growing seasons, land reclamation problems, long-distance transportation of irrigation water, soil salinity, and inefficient use of modern machinery and techniques.

The Middle East

Iran and *Syria* have both made notable progress during the past 10 years in cotton output and exports. Both grow cotton almost wholly for export, using part of the cash earnings in the purchase of textiles from other countries. These countries have also made improvements in their production efficiency, cotton quality, and merchandising methods. Natural factors favor cotton production, and increasing irrigation facilities are helping to overcome the hazards of drought.

Turkey, unlike Iran and Syria, is a sizable cotton consumer itself, and having changed its trend of only a few years ago toward becoming a net importer of cotton, is now an exporter of both raw cotton and textiles. Its production increases have given supplies enough for both purposes. In view of its urgent need for foreign exchange and for overcoming problems of inflation, the government is likely to continue stressing cotton.

Africa

For *Egypt,* which depends so heavily on cotton exports that they have been called its lifeblood, weather and insects caused near-disaster in the 1961-62 crop. Egypt found itself displaced by Sudan as the world's leading producer of extra-long staple cotton and had to prohibit the export of Ashmouni, the leading long staple variety, to preserve the supply for its growing domestic industry.

Exports to the Communist Bloc of over half its surplus under barter or trade balancing agreements not only failed to provide the hard-currency exchange it needed, but also permitted the Communist countries to manipulate the market and re-export Egyptian cotton to Western Europe. Moreover, world supply of extra-long staple cotton is excessive in the face of weaker demand. To deal with these problems, Egypt's cotton industry was nationalized in 1961, and complete control over production, prices, and exports was instituted, with results not yet fully apparent.

Sudan, with very substantial cotton production resources yet untapped, produces mostly extra-long staple, almost entirely for export. Its record 1961-62 crop of 930,000 bales was nearly 2½ times the average annual output in 1950-54.

A number of other African countries, especially those facing problems connected with newly won independence, have slowed their increases in production and exports over the decade. An exception is Tanganyika, which has moved steadily from an average output of 55,000 bales to over 160,000. The economic and political problems of independence point up the fact that, since much of Africa's cotton is grown on many thousands of very small individual units, maintaining total output would require continued scientific know-how, expert processing and marketing supervision, and sufficient incentive to combat the hazards of production.

Asia

Mainland China, still one of the world's top cotton producers despite its agricultural and political difficulties, needs so much for domestic use that it has counted for little in the world's export trade during the decade. Regardless of home requirements, however, it has exported sizable quantities of cotton textile products from time to time. Finding the land, labor, fertilizer, and tools to step up its cotton output further may be very difficult, in view of the competing needs of food crops. In fact, the country is importing cotton again this season. Whether trade in cotton and cotton goods can be made to provide larger amounts of foreign exchange to buy food when home production falls short remains to be seen.

The cotton exports of *India*—for years the fourth biggest cotton producer—go up and down according to the margin of production. In some years there is little margin, and it needs greater imports, for a large and growing textile industry exerts heavy pressure on its cotton supplies. India is fast becoming an important supplier of textiles, particularly to other Asian countries. *Pakistan* seems to be moving gradually out of the cotton export business as its own cotton textile industry grows. Both cotton production and textile expansion are being pressed as sources of the foreign exchange needed for development.

Dr. Renne Nominated For Agriculture Post

Dr. Roland R. Renne, President of Montana State College, Bozeman, Montana, has been nominated by President John F. Kennedy to be Assistant Secretary of Agriculture for International Affairs.

Secretary of Agriculture Orville L. Freeman said Dr. Renne will have responsibility for the work of the Foreign Agricultural Service and also for coordinating all other international aspects of the work of the USDA and its work with other U.S. agencies.

"Dr. Renne's leadership in agriculture and education in the United States as well as his wide experience in other countries well qualify him for these important responsibilities," Secretary Freeman said.

Dr. Renne has been President of Montana State College since 1943. He has been consultant to Secretary Freeman since October 1962, and has been a member of the National Forest Advisory Council, the President's Water Resources Policy Commission, and the Regional Advisory Committee for Administration Personnel.

He was chief of a U.S. Economic and Technical Mission to the Philippines in 1951-53; Chief of a U.S. Agricultural Mission to Peru in 1958; consultant to the U.S. Operations Mission in Ethiopia in 1960.

MARKET DEVELOPMENT IN THE U.K.

Robert N. Anderson, U.S. Agricultural Attaché at London, says more promotion—plus quality—can make even this good market better.

The United Kingdom is one of the largest and most freely accessible markets in the world for food and agricultural products. But it is also one of the most competitive. Suppliers who compete in this market must bear in mind that, not only quality and price of their products are essential factors, but that market promotion, including the establishment of good relations with the trade and consumers, is of vital importance.

The United Kingdom is the oldest and traditionally the largest export market for American food and agricultural products. Generally, U.S. products enjoy a good reputation for quality on the British market. However, it is not without reason that complaints are sometimes made about the quality of certain shipments. These cases sometimes affect the markets for other sales of U.S. products, since complaints are more likely to be vigorously expressed than praise.

Sometimes, buyers maintain that the prices of certain items are too high for the British market. However, experience has shown that products of excellent quality often find a market in spite of relatively high prices, particularly if the products are properly promoted and represented to the trade and the consumers.

In any case, an active market promotion program can do a great deal to prevent misunderstandings and create a closer relationship between the suppliers, the distributors, and consumers.

The British market is served by all of the main supplying countries in the world. Each country strives to increase its share of the market and most of them have active promotion programs, which have been greatly expanded the past few years.

In an effort to help maintain and increase the markets for U.S. food and agricultural products in the United Kingdom, the Foreign Agricultural Service, through the Office of the Agricultural Attaché in London and the cooperator groups, introduced many promotional activities in recent years.

Last year, 1962, these activities reached a level of almost a million dollars. This may appear large by comparison with earlier years, yet it was only about two-tenths of 1 percent of the total British purchases of American farm products (1962 imports of U.S. agricultural products are estimated at about $506 million). These promotional activities also were dwarfed by comparison with those of many of the other supplying countries.

In addition, some of the U.S. food firms carry out their own advertising and promotional schemes. However, most of these programs, particularly those of big firms, are international and the brand names promoted frequently cover more food products from other countries.

In 1962, U.S. cooperators and FAS conducted market promotion programs for cotton, feed grains, wheat, soybeans, rice, citrus, raisins, prunes, cranberries and lard. U.S. survey and promotion teams for these and tobacco, seeds, dried beans, and poultry came to the United Kingdom or were sent from Britain to the United States during the year.

In all, 651 Americans from the U.S. farming community (not counting some large groups of farmers), industry and trade, and the U.S. Department of Agriculture came through the Office of the Agricultural Attaché in London during the year, mainly on some phase of market promotion activity for U.S. agricultural products.

U.S. Competitors Spend Millions on Promotion

British consumers spent $13.9 billion on food alone in 1961—about half of this for processed foods. To capture this market, food suppliers spent a large part of the $1.3 billion put into advertising in the country.

An unknown, but considerable, sum was spent by trade groups and governments of U.S. competitor countries for such promotion as posters in public transport, outdoor signs, movies, and point-of-sale material. The extent of this expenditure may be surmised from these estimates of amounts spent by the following competitors in advertising their foods on press and television alone between October 1961 and September 1962 (exclusive of individual firm advertising):

Denmark	$2,089,000	Australia	$366,000
New Zealand	1,104,000	Israel	239,000
South Africa	578,000	Netherlands	135,000

These and other countries also sponsored exhibits, store and other promotions. Almost all of them participated in the large London and Manchester food exhibitions, the "Ideal Home" and other U.K. exhibits.

Denmark, for example, has held "Danish Food Weeks" and exhibitions in many parts of the United Kingdom. Films are loaned free on application. The Danish Food Center which was opened in London's central shopping area in 1959 is a permanent exhibition of Danish foods. Visitors from all over the country are introduced here to traditional Danish foods.

The Danes have just launched a "Bring Home the Danish Bacon Joint" competition with prizes totaling $84,000 for the housewife and $28,000 for the trade. The overall cost will be substantial.

Survey Shows Food Exhibits Boost Sales

At British Food Fair, Herman Leis of the Institute of American Poultry Industries tells Londoners about U.S. canned and frozen poultry products.

Processed food promotion pays, according to a survey made in Manchester, England as a follow-up to the U.S. food exhibit there last spring. Sixty days after the Manchester Grocers Exhibition, 23 percent of the 400 retail grocers tested said that sales of U.S. foods had recently increased, and 18 percent attributed the higher buying to promotion by the U.S. exhibit.

The U.S. show at the Manchester Fair (May 8-19) was the first in a quartet of "test-sales" exhibits sponsored by FAS and U.S. food processors in Western Europe in 1962. The second was at the British Food Fair in London (Aug. 28-Sept. 12).

Drawing card of the exhibits was a self-service supermarket, where U.S. foods were offered for sale at regular retail prices to test the British market. Canned fruit and juices, prepared mixes, and ethnic foods led sales.

Sales at the Manchester show reached $25,000, topping those at London by $2,000. Buying seemed to be more active at Manchester because the customers were discovering U.S. foods for the first time. Londoners already knew about many.

Response to the U.K. food trade was especially favorable. Over 500 trade representatives asked about specific branded products and requested samples at the London show.

At London Trade Center

Trade Drawn to Food and Feed Shows

The London Trade Center presented two shows that promoted U.S. agricultural products last year: The Feed Show, held from March 20 to April 10; and the Catering Exhibition of American Foods, October 9 through 26. Each was aimed at a highly specialized audience.

The Feed Show promoted use of U.S. basic ingredients in U.K. feeds. To it came buyers from the U.K. feed industry, trade association representatives, and feed technicians. The USDA displayed a typical grain grading and testing laboratory and technicians demonstrated tests used in grading maize, grain sorghum, oats, and barley, as well as a sedimentation baking quality test for wheat, to assure foreign buyers of the dependability of these U.S. grains. Leading feed specialists answered queries.

To the Catering Show came buyers from hotels, restaurants, hospitals, and other institutions. The Cranberry Institute of America sponsored a press and trade conference to launch its seasonal promotional campaign for fresh cranberries, and the Institute of American Poultry Industries demonstrated frozen cooked turkey rolls. Also displaying products were U.S. cooperators representing rice, raisins, lard, prunes, and soybeans. The Catering Show drew 1,600 buyers, wholesalers, and importers from the United Kingdom, as well as 16 overseas countries.

Market production at the London Trade Center is a year-round effort. The U.S. agricultural staff maintains a permanent office there, with facilities for continuing displays and conferences for use of trade cooperators.

London Grocers Promote U.S. Canned Fruit Sales

U.S. canned fruit figured high among party foods promoted in December by a multiple buying group serving 1,600 London grocers. Sales of U.S. canned fruit in the stores rose by more than 50 percent.

The technique that paid best was a 16-page brochure showing how to use U.S. canned fruit in making attractive desserts. This was distributed through the grocers to over a half million homes in London. The same theme was featured by in-store displays—food banners and price cards.

Well Planned Merchandising Campaigns Stimulate British Interest in Cotton

By WILLIAM RHEA BLAKE
Executive Vice President
Cotton Council International

The program of the Cotton Council International in the United Kingdom started in 1958, when U.S. Department of Agriculture funds first became available for cotton market development work in that country.

There could hardly have been a more difficult time to start the program. Cotton textile imports from low-wage countries were rapidly rising. Britain, once world leader in cotton textile exports, was reaching the point where imports were twice as large as exports. The industry was also sharply reducing excess processing capacity. Against this background C.C.I. built up an effective sales promotion and public relations program.

The heart of the Cotton Board's program in 1962 was a series of six well-executed merchandising campaigns. The technique was essentially the same in each case: an advertising or editorial insertion in a magazine to provide a theme for a retail campaign which the Cotton Board and the magazine jointly "sold" to leading retailers. At least 500 stores, including England's largest and most modern department stores and chains, participated. Top garment manufacturers and fabric houses, coordinated their advertising and merchandising efforts.

The Cotton Board staged 12 major fashion shows; distributed 40,000 brochures to retailers; gave full sales training courses to 700 clerks and screened training films for personnel of 64 stores; distributed a folio of fabrics to 1,000 cutters and retail buyers; and staged about 15 exhibits and displays at fairs and conventions.

A press and feature service drew requests for over 6,000 photos; films were shown to audiences totaling more than 300,000; a quarterly illustrated bulletin went to 2,700 cotton firms and trade organizations; and about 5,000 teaching aids were ordered by schools.

Despite the problems of the British cotton industry, the market development program—by stimulating trade and consumer interest in cotton—has made a definite contribution.

Model shows British style made from all-cotton fabrics. This London fashion parade was one of 12 held by the Cotton Council last year.

U.K. Promotion Spurs Big U.S. Rice Exports

Joint market development efforts of the U.S. Rice Export Development Association, Inc. and FAS increased U.S. rice exports to the United Kingdom by 60 percent over the previous year.

Food fairs, teaching aids, and public relations played a key role in the market promotion. The Association took part in six food fairs in Great Britain and one in Eire.

The teaching aids told how U.S. rice could be used by schools, science colleges, hospitals, and caterers. An educational package prepared by the Association included recipes, an article, "The History of American Rice," and maps of rice-growing areas in the United States. A promotional film, "Operation Bountiful," was shown at various trade meetings, food fairs, and technical, agricultural, and domestic sciences colleges.

In the area of public relations, Association representatives contacted British importers and wholesalers of U.S. rice, and retail food outlets. The British Broadcasting Corporation and National Television publicized U.S. rice recipes. The British press also gave wide coverage to the activities of the Association.

Broadcasting expert gives taste-test to rice dish at U.S. Rice stand at Welsh Exhibition.

Enjoy-American-Foods Campaign Goes To Leeds, Glasgow, and Bristol Areas

A mayoress receives a token package of U.S. foodstuffs from the visiting Chuck Wagon. The Wagon urges the British to "enjoy American foods."

"Enjoy American Foods" was the theme of intensive store-window promotions carried on during 1962 in a number of U.K. cities under the aegis of the U.S. Agricultural Attaché's office. The campaign's objective was to stimulate trade and consumer interest in American foods.

The store-window technique was first used in conjunction with the Manchester and London Food Fairs, then followed by three special regional promotions centering about the cities of Leeds (October 22-27), Glasgow (November 5-10), and Bristol (November 12-17).

Retail grocers in each area were asked to display point-of-sales materials supplied by the Attaché's office during the period of the promotion. These included special kits containing window streamers, shelf stickers, and posters.

Although a limited amount of paid advertising was placed which called attention to the American foods displayed and sold by U.K. grocers, the major source of publicity came through the Welcome Wagon and cooking demonstrations of various American foods.

The Welcome Wagon, a facsimile of the American chuck wagon, even to drivers dressed in Western garb, began in Liverpool, and went through a number of towns enroute to the Manchester Grocers' Exhibition. Later appearances were made in the Bristol and Glasgow areas. The Wagon generated effective publicity as it delivered packages of U.S. foods to local mayors in token of a half ton of food to be given to each mayor's favorite charity.

Cooking demonstrations were given at the London Food Fair and the Trade Center and, following these, at Leeds, Glasgow, and Bristol by Miss Charmaine Robinson. A Home Economist with the National Livestock and Meat Board (headquarters, Chicago), Miss Robinson cooked typical American dishes prepared with lard, and also helped promote cranberries, rice, and other U.S. foods. She estimates her total audiences at about 3,500 not including the many who attended special exhibitions and in-the-window demonstrations. Thousands of recipes calling for American ingredients — and "translated" to the British measuring system—were given out.

U.K. Import Controls Restrict U.S. Trade

Although the United Kingdom is among the top dollar markets for U.S. farm exports, sales to that area could go an estimated 10 percent higher if import restrictions were liberalized. In 1962 the U.S. agricultural attaché, along with U.S. representatives to GATT, made continuous efforts to reduce these restrictions.

Imports of these U.S. products are controlled under quarantine regulations: Uncooked pork, because of incidence of hog cholera in the United States; poultry, because of New Castle disease; and potatoes, because of ring rot and spindle tuber. The United States is seeking to eradicate these diseases and is urging the United Kingdom to be more liberal in its controls.

To protect its agricultural economic interests, the United Kingdom imposes dollar and quantitative quotas for all dairy products containing over 80 percent milk solids. Restrictions also apply to: Butter; fresh grapefruit, apples, and pears; canned pineapple, grapefruit, and apple mixtures; grapefruit and orange juice; clover and grass seeds; cigars; hops; sugar; and feathers.

The United Kingdom controls imports of apples and pears from the dollar area mainly to safeguard fruit imports from Australia, New Zealand, and South Africa. Citrus controls protect British West Indies trade.

U.S. Commodity Groups Promote Sales to U.K.

California Prune Advisory Board
California Raisin Advisory Board
Cotton Council International
Cranberry Institute
Florida Citrus Commission
Great Plains Wheat
National Livestock and Meat Board
National Renderers Assn.
Red Cherry Exports
Soybean Council of America
Sunkist Growers
U.S. Feed Grains Council
U.S. Rice Export Development Assn.

CROPS AND MARKETS

Dominican Republic Coffee Crop Early

Rainfall from Hurricane Ella resulted in an unusually early and large coffee harvest in the Dominican Republic.

In the lower regions, where 90 percent of the coffee is produced, the harvest usually lasts from September through February. Because of the rains, however, bearing was unusually heavy in October and November, and most of the crop was harvested when available labor and facilities were not adequate. Thus there was some loss in both quantity and quality.

Exports of coffee from the Dominican Republic during the coffee year ended September 1962 amounted to 450,783 bags (132.3 lb. each) and were valued at $18,821,247. The United States took 82 percent of all exports. Of the total exported, 85 percent was shipped during the first 6 months of the year.

Haiti Now Exporting Kenaf

Haiti made its first commercial exports of kenaf—225,000 pounds—in the crop year that ended September 1962. Plantings were 130 acres.

By the end of December, plantings had expanded to 600 acres. Suitable land is reported available, and a considerable increase is planned, if conditions continue favorable.

U.K. Cocoa-Bean Grindings Rise

Grindings of cocoa beans in the United Kingdom during 1962 totaled 93,900 long tons, up 17 percent over 1961. Imports of cocoa beans during January-November 1962 were 108,939 tons, compared with 82,916 tons for the same period in 1961. The United Kingdom is one of the world's major importers and processors of cocoa beans.

Indonesia, Yugoslavia Sign Pact

Indonesian and Yugoslav trade officials have signed a trade agreement which provides that during December 1962-June 1963 Yugoslavia will purchase the equivalent of $2.3 million (f.o.b.) of Indonesian products while selling to Indonesia goods valued at $1.38 million (c&f). The trade will involve tropical products from Indonesia for metals and industrial products from Yugoslavia.

The agreement specifies that during the first half of 1963 Yugoslavia will purchase a minimum of 3,051 tons of smallholder rubber, 50 tons of Robusta coffee, 180 tons of black pepper, 20 tons of cassiavera, 15 tons of nutmeg, 100 tons of rattan, 300 tons of palm kernels, and 450 tons of Arabica coffee. In the event that Indonesia fails to ship the above-listed commodities in the amounts specified, Yugoslavia will make additional purchases of smallholder rubber to fulfill its $2.3-million import commitment.

Indonesia's imports from Yugoslavia are to consist of iron bars ($480,000), aluminum sheets ($367,000), electric cables ($333,000), calcium carbide ($133,000), and sewing yarns ($67,000). The trade surplus in this agreement will reportedly be used by Indonesia to repay Yugoslav economic development credits.

Greeks Barter Raisins to USSR

An agreement was signed the last week in December under which Greece will export 11,000 tons of sultanas to the Soviet Union at a price of $203 per ton. In return, Greece will receive an equal value of agricultural machinery and vehicles.

The Greek sultana industry has been experiencing difficulty in disposing of the record-large 1962 raisin crop, presently estimated at 92,000 tons. Average production (1955-59) is 53,400 tons.

New Zealand Meat Moves to the U.S.

Six ships are scheduled to leave New Zealand during February with 19,712,000 pounds of meat for the United States—14,560,000 pounds for the East Coast and 5,152,000 pounds for the West Coast.

Ship	Sailing date	Destination	Quantity
			1,000 pounds
Cap Finisterre	Feb. 9	West Coast	2,240
Iberia	Feb. 13	do.	224
Monterey	Feb. 19	do.	448
Cap Palmas	Feb. 28	do.	2,240
City of Brisbane	Feb. 28	East Coast	11,760
Imperial Star	Feb. 28	do.	2,800

November Meat Exports Down

U.S. exports of the most important livestock and meat products were down in November compared with the same month in 1961. For the year through November, tallow, red meat, beef casings, and mohair exports were each down about 10 percent; hides and skins, down from 4 to 37 percent according to type. Lard, variety meat, and hog casing exports remained at nearly the same levels.

Exports of lard in November were about a fifth lower than during the same month in 1961. However, more lard was exported in November than in any other month in 1962 except June. The 62 million pounds exported in November 1961 included exceptionally large shipments to the United Kingdom after 3 months of reduced purchases.

Most of the reduced tallow exports in the first 11 months of 1962 were accounted for by smaller Japanese purchases. Inedible grease exports were also below the previous year because of reduced buying by the Netherlands and Japan.

While variety meat exports dropped below November 1961, the total for the first 11 months of 1962 remained slightly above 1961.

Although November mohair exports were above November 1961, the amount shipped was below each of the previous 3 months.

U.S. EXPORTS OF LIVESTOCK PRODUCTS
(Product weight basis)

Item	November		January-November	
	1961	1962	1961	1962
	1,000 pounds	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*
Lard	62,450	49,383	403,047	406,158
Inedible tallow and greases [1]	151,758	117,117	1,644,317	1,489,488
Edible tallow and greases [2]	1,122	818	11,344	11,331
Meat:				
Beef and veal	2,569	2,757	27,802	24,491
Pork	6,517	6,824	62,775	56,998
Lamb and mutton	128	213	1,495	2,084
Sausage:				
Except canned	114	118	2,168	1,381
Canned	99	93	964	782
Baby food, canned	148	124	1,131	972
Other canned meats	102	103	1,003	1,126
Total red meat	9,677	10,232	97,338	87,834
Variety meat	11,517	10,414	113,392	114,666
Sausage casings:				
Hog	1,217	905	10,526	11,278
Other natural	582	559	6,100	5,519
Mohair	642	722	13,026	11,822
	1,000 pieces	*1,000 pieces*	*1,000 pieces*	*1,000 pieces*
Hides and skins:				
Cattle	611	672	6,832	6,588
Calf	133	133	1,872	1,597
Kip	68	51	527	334
Sheep and lamb	200	221	2,261	2,013

[1] Includes inedible tallow, oleic acid or red oil, stearic acid, and other inedible animal greases, fats, and oils. [2] Includes edible tallow, oleo oil and stearin, oleo stock and shortenings, animal fat, excluding lard.

U.S. Department of Commerce.

EEC Sets Pork Regulation

The European Common Market Council has approved a regulation making May 1, 1963, the effective date for the levy system on pork products, such as lard, fatback, variety, and canned meats. The system has been effective for live hogs and pork carcasses since July 30, 1962.

Uruguay Ends Drought Payments on Cattle

Drought no longer prevails in the interior of Uruguay and there is now no need for the emergency cattle subsidies put into effect late in 1962.

The government discontinued on January 1 a live-weight subsidy of 0.4 peso per kilo (1.6 cents per pound) on canner cattle and a 75-percent rail freight reduction for cattle being shipped from drought areas to localities having better pastures. Uruguay has also restored its limitation on the slaughter of calves and breeding cows.

Australian Meat Moves to the U.S.

Six ships left Australia the first week of January with 23,405,760 pounds of beef, 5,638,080 pounds of mutton, 1,426,880 pounds of lamb and 78,400 pounds of variety meats for the United States. Details of these shipments are found in the following table.

Ship and sailing date	Destination [1]	Arrival date	Cargo	Quantity
Western ports:				*Pounds*
Monterey	San Francisco	Jan. 21	Beef	183,680
Jan. 1	Los Angeles	Jan. 21	Beef	432,320
			Mutton	22,400
Orsova	San Francisco	Jan. 20	Beef	47,040
Jan. 1	Los Angeles	Jan. 22	Beef	215,040
Eastern and Gulf ports:				
Pioneer Surf	Charleston	Feb. 4	Beef	71,680
Jan. 3			Mutton	51,520
	Boston	Feb. 8	Beef	33,600
	New York	Feb. 13	Beef	508,480
			Mutton	112,000
			Var. meats	26,880
	Philadelphia	Feb. 15	Beef	40,320
	Baltimore	Feb. 17	Mutton	168,000
Ecuadorian Reefer	Charleston [2]	([3])	Beef	40,320
Jan. 4	Philadelphia	Jan. 31	Beef	246,400
			Mutton	64,960
			Lamb	11,200
	New York	Feb. 2	Beef	4,240,320
			Mutton	212,800
			Lamb	145,600
			Var. meats	6,720
	Boston	Feb. 8	Beef	306,880
			Lamb	38,080
			Var. meats	6,720
Gladstone Star	Tampa	Jan. 28	Beef	904,960
Jan. 5			Mutton	253,120
	Everglades	Jan. 30	Beef	250,880
	Savannah	Feb. 2	Beef	712,320
			Mutton	156,800
	Charleston	Feb. 4	Beef	472,640
			Mutton	134,400
			Var. meats	13,440
	Norfolk	Feb. 7	Beef	515,200
			Mutton	235,200
	Boston	Feb. 11	Beef	757,120
			Mutton	512,960
			Lamb	56,000
	New York	Feb. 13	Beef	5,409,600
			Mutton	927,360
			Lamb	580,160
			Var. meats	17,920
	Philadelphia	Feb. 17	Beef	934,080
			Mutton	436,800
			Lamb	73,920
Lake Eyre	New Orleans	Jan. 29	Beef	1,330,560
Jan. 5			Mutton	246,400
			Lamb	4,480
	Tampa	Feb. 2	Beef	1,301,440
			Mutton	369,600
			Var. meats	6,720
	Philadelphia	Feb. 6	Beef	463,680
			Mutton	134,400
			Lamb	67,200
	New York	Feb. 9	Beef	3,503,360
			Mutton	1,240,960
			Lamb	450,240
	Boston	Feb. 14	Beef	483,840
			Mutton	358,400

[1] Cities listed indicate location of purchaser and usually the port of arrival and general market area, but meat may be diverted to other areas for sale. [2] To be transshipped. [3] Not available.

New Rules for Argentine Cooked Beef

Thoroughly cooked bulk beef imported from certain accredited meat-processing establishments in Argentina will not require recooking in the United States, under new rules of the Agricultural Research Service. Bulk beef from other Argentine establishments will continue to be recooked in the United States under the supervision of

USDA inspectors, to preclude the possible entry of foot-and-mouth disease.

No change is being made in the basic requirement that meat from Argentina must be thoroughly cooked before entry into this country. Imported cooked meat in bulk, used primarily in soups, stews, and other processed products, has required recooking under supervision in the United States.

In recent months, however, USDA scientists and Argentine inspection officials have worked out processing facilities and methods that eliminate the need for recooking. These scientists have recommended that cooked beef in bulk be accepted from Argentine establishments having such facilities and methods. As with other imported meats, this product will continue to be examined upon arrival in the United States. This inspection, supplemented by laboratory examinations, assures that each lot of meat is thoroughly cooked and otherwise complies with Department regulations.

Department officials have stressed the importance of these technical discussions with the Argentine Department of Agriculture. Similar discussions are underway in several other South American countries where foot-and-mouth disease occurs.

New Zealand To Produce Meat for Moslems

Several New Zealand slaughtering firms are planning to process meats according to the Moslem rites, for sale to the Middle and Far East.

One company has employed a Moslem slaughter specialist who has been approved by the Moslem Advisory Board in Singapore. Several other New Zealand plants are preparing to comply with the Moslem killing laws.

New Meat Canneries Planned in Niger

Plans are underway for building two new meat-canning plants in Niger (formerly part of French West Africa). The output will be corned beef, for export to other African countries and possibly to Europe.

One plant will be built by a French firm and the other by a Japanese firm. The Government of Niger will hold a majority of the stock in each plant. Together, they are expected to process 4,000 tons of corned beef in 1963.

One cannery is planned for Niamey, the capital city, and the other will be in Maradi.

U.K. Admits Some Eggs and Poultry

The U.K. Ministry of Agriculture announced on January 18, 1963, further deviation from its detect-and-slaughter Newcastle disease program.

The British will now allow imports of hatching eggs and poultry breeding stock from the United States and other countries under quarantine and strict veterinary control. In the interests of disease control, such imports must be justified on the grounds of stock improvement.

In recent years, Newcastle disease outbreaks in Britain have been significant, and it is probable that the pool of basic breeding stock may have been seriously affected.

Sweden Needs Seeds

Because of unfavorable weather during the 1962 growing season, Sweden will require imports of a number of kinds of grass and legume seed in 1963.

The Central Seed Council, an organization of seed growers and seed dealers, has recommended free imports of alfalfa, white clover, red fescue, smooth brome, and bentgrass seed. The Board of Agriculture, the licensing authority, is expected to follow the recommendations.

Spain Suspends Bean, Chickpea Duties

The Spanish Government voted on January 12 to suspend import duties on dry beans and chickpeas, owing to short domestic supplies.

As the following figures show, bean prices have risen 30 percent or more in recent months on several classes of beans:

Class	September	October	November
	U.S. dol. per cwt.	*U.S. dol. per cwt.*	*U.S. dol. per cwt.*
Small White	9.05-12.85	10.60-15.90	16.60
Kidney beans	6.80- 7.55	8.30- 9.85	10.60-13.60
Pinto beans	7.55- 8.30	9.85	9.85-10.60

All duties were temporarily reduced to 5 percent on October 27, 1962. They had been 17 percent ad valorem on beans and chickpeas and 12 percent on lentils. Interested exports should make sales through regular commercial channels, since the Spanish Government reportedly has no plans to import pulses directly.

Canada Uses Less Cotton

Canadian cotton consumption, based on the number of bales opened by mills, totaled 29,000 bales (500 pounds gross) in December, compared with 35,000 bales in the preceding month and 31,000 in December 1961.

Consumption during the first 5 months (August-December) of the current season amounted to 164,000 bales. This is slightly below the 168,000 bales used in the same period of 1961-62—the most favorable season in a decade—but well above average consumption of 153,000 bales in the first 5 months of the past 5 seasons.

U.K. Tobacco Imports Decline

The United Kingdom's imports of unmanufactured tobacco during the first 9 months of 1962, at 185.8 million pounds, were down 10.3 percent from the 207.1 million pounds imported during January-September 1961. Smaller taking from three major sources—the United States, the Rhodesias-Nyasaland, and India—were more than enough

to offset larger imports from Canada, and the Republic of South Africa.

Imports from the Rhodesias-Nyasaland totaled 68.2 million pounds, compared with 70.9 million in January-September 1961; takings from India were down 5.7 million pounds from the 41.9 million a year ago; and imports from the United Sttaes, at 41.8 million pounds, were only about three-fourths the 1961 level of 55.6 million. However, imports from Canada rose to 34.7 million pounds from 33.9 million the year before, and takings from the Republic of South Africa were about 38 percent greater than the 2 million imported in January-September 1961.

Imports of flue-cured tobacco totaled 175.1 million pounds—down about 10 percent from the 194.9 million in January-September 1961. Combined imports of other kinds of leaf tobacco were 12.4 percent below the 12.2 million pounds imported during the first 9 months of 1961.

Italy Buys More Rhodesian Tobacco

A three-man delegation representing the Italian Tobacco Monopoly contracted for 6.6 million pounds of 1962-crop Rhodesian tobacco during a recent visit to Salisbury. The Monopoly's total purchases of Rhodesian tobaccos during calendar year 1962 amounted to over 9 million pounds.

Pakistan's Cigarette Output Still Rising

Cigarette output in Pakistan during the first half of 1962 totaled 6,765 million pieces—up 21.5 percent from the 5,568 million produced in January-June 1961. If the percentage increase continued for the last 6 months of 1962, output for the full year approached 14.6 billion pieces, compared with 12.1 billion for the previous year.

Australia Expects Larger Tobacco Crop

Preliminary forecasts place the 1963 tobacco harvest in Australia at 31.6 million pounds from 29,100 acres—well above the 1962 harvest of 24.5 million from 26,917 acres.

Most of the increase is expected to come from the Mareeba-Dimbulah area in northern Queensland. Total production for that State is estimated at 17 million pounds, compared with 12.8 million last year. Production in Victoria is expected to be about 3 million pounds larger than the 1962 harvest of 8.6 million but comparable to the 11.4 million harvested in 1961. The harvest in New South Wales is expected to equal the 1962 harvest of 3.1 million pounds. Commercial production in Western Australia has been abandoned, but the Department of Agriculture in that State is still experimenting with tobacco growing.

Growers are said to be concerned about the mixing percentages for domestic tobacco, which were revised downward last September for the rest of 1962-63 and for 1963-64. Reports indicate that at the next meeting of the Central Tobacco Advisory Committee, to be held in February, grower organizations will exert maximum pressure to raise the percentages high enough to clear the current crop.

Tobacco-Product Sales Fall in Algeria

Consumption of all tobacco products in Algeria, as indicated by sales, turned downward during the first 5 months of 1962, following 2 years of short crops due to blue mold.

Until 1962, total consumption of all tobacco products had shown a steady annual rise. But in January-May 1962, total sales amounted to only 8.4 million pounds, compared with 10 million in January-May 1961. Cigarette sales, at 6.3 million pounds, were 18.3 percent below the 7.6 million sold during the first 5 months of 1961. Sales of smoking mixtures were down about 14 percent; snuff and chewing tobacco, about 2 percent each.

Olive Oil Conference Announced

The International Olive Oil Councill will negotiate a new international agreement at the United Nations Conference on Olive Oil, to be held at the European Office of the United Nations, Geneva, on February 26, 1963.

The purpose of the conference will be to "discuss measures designed to meet the special difficulties which exist or are expected to arise concerning olive oil" and to negotiate a new agreement to become effective after the present one expires on September 30, 1963.

The Interim Co-ordinating Committee for International Commodity Arrangements has recommended that all Member States of the United Nations, of the Interim Commission for the International Trade Organization, of FAO, and of the International Olive Oil Council be invited.

Members of the Agreement include the following producing countries: France, Greece, Israel, Libya, Morocco, Portugal, Spain, and Tunisia. Also included is the United Kingdom, a major importer. Italy, which signed the original agreement as a producing country, has not yet ratified it. Belgium, an importing country, has also signed but not yet ratified the Agreement.

Ceylon Revises Coconut Export Duties

Effective January 8, 1963, Ceylon adopted a sliding scale of export duties on all coconut products.

This more equitable method of levying duties provides that when the average c.i.f. price of Straits (i.e. Singapore) coconut oil in the London market is below £65 (about $182) per long ton, the export duty payable on a ton of copra shall be Cey Rs.115 ($24.15); nil on coconut oil; nil on desiccated coconut; and Cey Rs.28.75 ($6.04) per thousand fresh coconuts.

As prices rise, the scale of duties also rises so that if a peak of £147 (about $411.60) or more per ton of coconut oil is reached, the export duty shall be Cey Rs.462.30 ($97.08) per ton on Copra; Cey Rs.564.37 ($118.52) per ton on coconut oil; Cey Rs.479.26 ($100.64) per ton on desiccated coconut; and Cey Rs.115.58 ($24.27)per thousand fresh coconuts.

The fixed export duties formerly in force (since May 23, 1961), were Cey Rs.185 ($38.85) per ton on copra;

Cey Rs.140 ($29.40) on coconut oil; Cey Rs.100 ($21.00) per ton on desiccated coconut; and Cey Rs.65 ($13.65) per thousand fresh coconuts. The foregoing figures are based on the par value of Cey Rs.4.7619 to one U.S. dollar.

Philippine Desiccated Coconut Exports

Registered Philippine exports of desiccated coconut during 1962 totaled 65,573 tons, up 4 percent from 1961. The share going to the United States decreased slightly, to 87 percent; but shipments to Canada and Europe increased. Sales elsewhere, particularly to Australia were larger.

PHILIPPINE EXPORTS OF DESICCATED COCONUT

Destination	December [1]		January-December [1]	
	1961	1962	1961	1962
	Tons	*Tons*	*Tons*	*Tons*
United States [2]	5,164	5,476	58,815	56,783
Atlantic Coast	(4,015)	(4,124)	(44,701)	(41,490)
Pacific Coast	(740)	(956)	(9,758)	(9,902)
Canada	53	104	523	1,062
Total	5,217	5,580	59,338	57,845
Venezuela	—	—	30	63
Unspecified	—	5	—	67
Total	—	5	30	130
Belgium	—	6	17	28
Denmark	5	30	67	320
Finland	—	8	—	16
France	—	—	18	10
Germany, West	—	20	1,452	1,674
Ireland	—	5	65	22
Italy	—	—	—	—
Netherlands	24	49	172	361
Norway	—	5	23	117
Spain	55	—	358	203
Sweden	—	19	72	232
United Kingdom	46	68	264	549
Unspecified	—	—	—	[3] 464
Total	130	210	2,508	3,996
South Africa, Republic of	1	5	87	177
Hong Kong	—	20	64	253
Japan	—	3	9	19
Total	—	23	73	272
Australia	21	186	967	2,762
New Zealand	6	31	98	391
Total	27	217	1,065	3,153
Grand total	5,375	6,040	63,101	65,573

[1] Preliminary. [2] Includes Gulf Coast, Great Lake ports, Hawaii, and Puerto Rico. [3] Includes 25 tons to United Kingdom/Germany optional discharge.

Philippine Trade Sources.

Argentina Sets Flaxseed Export Quota

Argentina recently announced a new export quota for flaxseed, again of 30,000 metric tons (1.18 million bushels). The previous quota expired in April 1962. The new quota is on the basis of 150 tons of seed to 1,000 tons of linseed oil; i.e., for every ton of seed 6.66 tons of oil must be shipped.

Exports of flaxseed in 1962 were only about 220,000 bushels compared with about 3.5 million in 1961. According to an unofficial publication, linseed oil exports last year totaled 255,000 metric tons, compared with the 213,106 tons exported the previous year.

The 1962-63 Argentine flaxseed crop was officially reported at 32.7 million bushels—only slightly larger than last year's (*Foreign Agriculture*, Jan. 7, 1963).

November Suez Shipments Down

The volume of oil-bearing material shipments northbound through the Suez Canal in November 1962 was 43 percent below that of October 1962 (*Foreign Crops and Markets*, Dec. 17, 1962) and 7 percent less than in November 1961.

Total shipments of all oil-bearing materials through November 1962 of the U.S. marketing year (beginning Oct. 1, 1962) were, however, 16 percent greater than shipments during the comparable period of the previous marketing year. This was due almost entirely to the increase in cottonseed shipments, largely from the Sudan, which more than offset the declines recorded in soybeans, palm kernels, flaxseed, and copra shipments. Apart from cottonseed, shipments of peanuts, castor beans, and miscellaneous oil-bearing materials increased.

OIL-BEARING MATERIALS: SUEZ CANAL, NORTHBOUND SHIPMENTS BY KINDS, NOV. 1962, WITH COMPARISONS

Item	November		October-November	
	1961	1962	1961	1962
	Metric tons	*Metric tons*	*Metric tons*	*Metric tons*
Soybeans [1]	3,543	0	13,913	287
Copra	65,538	40,359	145,656	141,437
Peanuts	10,571	16,993	24,182	36,452
Cottonseed	4,627	23,719	11,114	46,059
Flaxseed [2]	3,033	3,207	4,645	3,207
Castor beans	3,677	3,241	7,354	9,851
Palm kernels	4,285	384	7,948	1,499
Others	6,575	6,995	11,319	23,749
Total	101,849	94,898	226,131	262,541

[1] 1 metric ton of soybeans equals 36.743333 bushels.
[2] 1 metric ton of flaxseed equals 39.367857 bushels.
Suez Canal Authority, Cairo, Egypt.

No soybean shipments were recorded in November 1962. Although this may partly reflect the continued relatively small export availabilities of soybeans from Mainland China, it probably also reflects increased shipments of soybeans to Japan at the expense of Europe.

SOYBEANS: SUEZ CANAL, NORTHBOUND SHIPMENTS, OCTOBER, NOVEMBER, AND DECEMBER, 1958-62

Month and quarter	Year beginning October				
	1958	1959	1960	1961	1962
	1,000 bushels	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*
Monthly:					
October	1,176	2,315	37	381	11
November	367	514	257	130	0
December	2,646	5,769	625	407	—
Quarterly:					
October-December	4,189	8,598	919	919	—
January-March	10,435	13,999	6,062	4,082	—
April-June	9,700	8,635	1,213	239	—
July-September	5,879	2,756	2,756	328	—
Total quarterly [1]	30,203	33,988	10,950	5,568	—

[1] Totals computed from unrounded numbers.
Suez Canal Authority, Cairo, Egypt.

U.S. DEPARTMENT OF AGRICULTURE
WASHINGTON 25, D. C.

OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF AGRICULTURE

To change your address or stop mailing, tear off this label and send to Foreign Agricultural Service, U.S. Dept. of Agriculture, Room 5918, Washington 25, D.C.

Tunisia Buys Domestic Olive Oil

The Tunisian National Oil Office is now buying olive oil from domestic producers.

A recently announced government policy requires olive producers to sell to the Office quantities equal to 65 percent of exports at prices ranging from 160 to 180 millimes per kilo (19-21.4 cents per pound). The oil may then be sold in its pure form at 400 millimes per liter (52.9 cents per pound) or mixed with soybean oil and sold at 200 millimes per liter (26.4 cents per pound). The proceeds go to support of the Office and for government revenues.

At a meeting on December 12, 1962, olive oil producers in the Sahel agreed to turn over 40 percent of their production to the National Oil Office at government prices. The remaining 60 percent would be available for free sale by the producers either domestically or abroad.

Turkey Begins Olive Oil Export Study

The Turkish Export Promotion Center has initiated a study of the feasibility of establishing measures to export a steady volume of olive oil from Turkey.

The study will determine whether increased amounts of olive oil can be made available for export by importing larger quantities of less expensive vegetable oils for domestic consumption. It is believed that a significant amount of foreign exchange would be generated. Spain is having success with a similar program.

The vegetable oil situation has become serious with the large increase in olive oil prices. Retail olive oil prices now range from T.£ 9 to T.£ 11 per kilo (40.8 to 49.9 cents per lb.), about twice normal.

It is apparent that the average Turkish wage earner cannot afford the high price for olive oil but could buy low-priced margarine and liquid oils. He could be spared the necessity of buying high-priced oil if fully refined soybean oil were made available for domestic use.

Brazilian Flaxseed Production Up

The 1962-63 production of flaxseed in Brazil is estimated to have reached 1,575,000 bushels, compared with 1,331,000 produced in 1961-62. The increase is due in large part to considerably better yields.

CORRECTION

In the issue of January 28, the last paragraph of the story "Philippines Ships More Copra/Coconut Oil," on page 15, was accidentally transferred to the end of the previous story. *Foreign Agriculture* regrets this error.